

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 5, 2026

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Notes shall be designated as "qualified tax-exempt obligations".

New Issue

Non-Rated

VILLAGE OF GENOA CITY, WISCONSIN (Walworth and Kenosha Counties)

\$3,615,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

BID OPENING: March 12, 2026, 10:00 A.M., C.T.

CONSIDERATION: March 12, 2026, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$3,615,000* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Genoa City, Wisconsin (the "Village"), for public purposes, including paying the cost of Fellows Road reconstruction, including water and sewer improvements and acquisition of public safety vehicle. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: March 30, 2026

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$90,000	2035	\$165,000	2042	\$235,000
2029	85,000	2036	165,000	2043	235,000
2030	90,000	2037	230,000	2044	235,000
2031	195,000	2038	230,000	2045	235,000
2032	165,000	2039	230,000	2046	235,000
2033	165,000	2040	230,000		
2034	165,000	2041	235,000		

***MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: March 1, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on March 1, 2035 and thereafter are subject to call for prior optional redemption on March 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$3,569,812.50.

MAXIMUM BID: \$3,976,500.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$72,300 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL AND:

DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the Village to give any information or to make any representation other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. *This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.*

This Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles and Brady LLP will serve as Disclosure Counsel to the Village with respect to the Notes. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Notes.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Official Statement was prepared for the Village for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Official Statement describes the conditions under which the Village is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the Village nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the Village which indicates that the Village does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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VILLAGE OF GENOA CITY VILLAGE BOARD

		<u>Term Expires</u>
Ken Parker	President	April 2027
Melissa Bobula	Trustee	April 2026
Joyce DeLong	Trustee	April 2027
Duane Gallo	Trustee	April 2026
Pamela Larson	Trustee	April 2026
Shawn Sponenburg	Trustee	April 2027
Phillip Traskaski	Trustee	April 2027

ADMINISTRATION

Jackie Petritis, Village Clerk/Treasurer

John Cole, Village Manager

PROFESSIONAL SERVICES

Linda Gray, Linda Gray Law, Village Attorney, East Troy, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Minneapolis, Minnesota)

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Genoa City, Wisconsin (the "Village") and the issuance of its \$3,615,000* General Obligation Promissory Notes, Series 2026A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Authorizing Resolution") to be adopted by the Village Board on March 12, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Village's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of March 30, 2026. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2027, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Authorizing Resolution.

The Village has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after March 1, 2035 shall be subject to optional redemption prior to maturity on March 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village. If only part of the Notes having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of Fellows Road reconstruction, including water and sewer improvements and acquisition of public safety vehicle.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	\$3,615,000	
Estimated Interest Earnings	<u>47,972</u>	
Total Sources		\$3,662,972
Uses		
Estimated Underwriter's Discount	\$45,188	
Costs of Issuance	73,650	
Deposit to Project Construction Fund	3,542,581	
Rounding Amount	<u>1,553</u>	
Total Uses		\$3,662,972

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrevocable tax on all taxable property in the Village sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

None of the outstanding indebtedness of the Village is currently rated, other than credit enhanced issues, and the Village has not requested a rating on the Notes. A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the Village.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Notes, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Village shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery of the Notes, the Village shall execute and deliver a Continuing Disclosure Certificate, under which the Village will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the Village are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the Village to comply with the Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

The Village's audited financial statements for fiscal years ending December 31, 2022 and December 31, 2023 were not filed timely. Except to the extent that the preceding is deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL MATTERS

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Notes. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Village has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by

adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the Village, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the Village under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2024 have been audited by Lucida LLC, Lake Geneva, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Notes are general obligations of the Village, the ultimate payment of which rests in the Village's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the Village in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Wisconsin (the "State") may affect the overall financial condition of the Village, the taxable value of property within the Village, and the ability of the Village to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Village and to the Notes. The Village can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the Village or the taxing authority of the Village.

Interest Rates: In the future, interest rates for this type of obligation may rise generally, possibly resulting in a reduction in the value of the Notes for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the Village with the covenants in the Authorizing Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the Village to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the Village to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the Village, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the Village may have an adverse effect on the value of the Notes in the secondary market.

Secondary Market for the Notes: No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The Village is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the Village will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

	Walworth County	Kenosha County	Total
2025 Equalized Value	\$363,989,500	\$547,300	\$364,536,800
2025 Assessed Value	\$355,673,400	\$499,600	\$356,173,000

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value	Percent of Total Equalized Value
Residential	\$281,815,800	77.308%
Commercial	72,974,600	20.018%
Manufacturing	9,016,500	2.473%
Agricultural	263,000	0.072%
Undeveloped	54,300	0.015%
Ag Forest	126,000	0.035%
Forest	96,000	0.026%
Other	190,600	0.052%
Total	<u>\$364,536,800</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value	Percent Increase/Decrease in Equalized Value
2021	\$196,422,900	\$242,263,100	8.78%
2022	197,749,400	288,280,200	18.99%
2023	198,393,000	306,299,900	6.25%
2024	201,792,900	333,375,800	8.84%
2025	356,173,000	364,536,800	9.35%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value¹	Percent of Village's Total Equalized Value
Woodlands Recreation Society Inc	Residential Community	\$6,294,600	1.73%
Wes-Land Wisconsin LLC	Manufacturer	5,713,300	1.57%
1001 Williams Road LLC	Commercial Condos	5,479,400	1.50%
United Five Group LLC	Commercial Condos	4,623,400	1.27%
1019 Williams Road LLC	Commercial Condos	4,555,800	1.25%
Hickory Tree LLC	Manufacturer	3,911,900	1.07%
Genoa Plaza LP	Apartment Complex	3,105,000	0.85%
Individual	Gas Station/Vacant Land	2,968,300	0.81%
Storage Junction LLC	Self Storage	2,600,900	0.71%
Robinson Properties Inc.	Wholesale Distributor	<u>2,552,200</u>	<u>0.70%</u>
Total		\$41,804,800	11.47%
Village's Total 2025 Equalized Value		\$364,536,800	

Source: The Village.

DEBT

DIRECT DEBT²

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u><u>\$12,211,151</u></u>
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*Preliminary, subject to change.

¹ Calculated by dividing the 2025 Assessed Values by the 2025 Aggregate Ratio of assessment for the Village.

² Outstanding debt is as of the dated date of the Notes.

DEBT PAYMENT HISTORY

Due to an oversight, the Village failed to timely make the final principal and interest payments due May 1, 2025 on its Water System Revenue Bonds, Series 2016A, dated April 19, 2016. The payment was made on May 7, 2025. The Village has engaged a paying agent on all of its outstanding issues, other than privately placed obligations.

FUTURE FINANCING

The Village has no current plans for additional financing in the next 12 months.

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$364,536,800
Multiply by 5%	0.05
Statutory Debt Limit	<u>\$18,226,840</u>
Less: General Obligation Debt*	<u>(12,211,151)</u>
Unused Debt Limit*	<u><u>\$6,015,689</u></u>

*Preliminary, subject to change.

Village of Genoa City, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 03/30/2026)

	Street Improvement Bonds Series 2013A		Promissory Notes Series 2016B		Corporate Purpose Bonds Series 2017A		Promissory Note Series 2020A		Corporate Purpose Bonds Series 2021A	
Dated	12/10/2013		04/19/2016		05/04/2017		12/15/2020		03/25/2021	
Amount	\$1,500,000		\$705,000		\$3,210,000		\$250,000		\$2,885,000	
Maturity	12/01		04/01		10/01		06/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	165,000	36,370	150,000	1,538	110,000	85,970	24,951	1,902	0	28,383
2027	170,000	29,770			175,000	82,670	25,575	1,540	105,000	55,190
2028	180,000	22,970			180,000	77,420	26,214	1,169	140,000	51,515
2029	185,000	15,770			200,000	72,020	26,870	789	125,000	47,540
2030	195,000	8,093			215,000	66,020	27,541	399	110,000	44,015
2031					240,000	59,355			100,000	41,365
2032					260,000	51,675			185,000	38,515
2033					280,000	42,965			180,000	34,865
2034					290,000	33,165			175,000	31,315
2035					300,000	22,725			170,000	27,865
2036					310,000	11,625			170,000	24,465
2037									165,000	21,115
2038									265,000	16,815
2039									265,000	11,383
2040									265,000	5,751
2041									135,000	1,451
2042										
2043										
2044										
2045										
2046										
	895,000	112,973	150,000	1,538	2,560,000	605,610	131,151	5,799	2,555,000	481,548

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Village of Genoa City, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 03/30/2026)

	Corporate Purpose Bonds Series 2024A		Promissory Notes Series 2026A							
Dated	04/04/2024		03/30/2026							
Amount	\$2,465,000		\$3,615,000*							
Maturity	03/01		03/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	46,100	0	0	449,951	200,262	650,213	11,761,200	3.68%	2026
2027	190,000	88,400	0	196,270	665,575	453,840	1,119,415	11,095,625	9.14%	2027
2028	165,000	81,300	90,000	136,833	781,214	371,207	1,152,421	10,314,411	15.53%	2028
2029	180,000	74,400	85,000	134,033	801,870	344,551	1,146,421	9,512,541	22.10%	2029
2030	185,000	67,100	90,000	131,233	822,541	316,859	1,139,401	8,690,000	28.84%	2030
2031	255,000	58,300	195,000	126,673	790,000	285,693	1,075,693	7,900,000	35.31%	2031
2032	170,000	49,800	165,000	120,871	780,000	260,861	1,040,861	7,120,000	41.69%	2032
2033	175,000	42,900	165,000	115,468	800,000	236,198	1,036,198	6,320,000	48.24%	2033
2034	185,000	35,700	165,000	109,940	815,000	210,120	1,025,120	5,505,000	54.92%	2034
2035	195,000	28,100	165,000	104,206	830,000	182,896	1,012,896	4,675,000	61.72%	2035
2036	195,000	20,300	165,000	98,308	840,000	154,698	994,698	3,835,000	68.59%	2036
2037	250,000	11,400	230,000	91,025	645,000	123,540	768,540	3,190,000	73.88%	2037
2038	160,000	3,200	230,000	82,285	655,000	102,300	757,300	2,535,000	79.24%	2038
2039			230,000	73,315	495,000	84,698	579,698	2,040,000	83.29%	2039
2040			230,000	64,173	495,000	69,924	564,924	1,545,000	87.35%	2040
2041			235,000	54,755	370,000	56,206	426,206	1,175,000	90.38%	2041
2042			235,000	45,061	235,000	45,061	280,061	940,000	92.30%	2042
2043			235,000	35,250	235,000	35,250	270,250	705,000	94.23%	2043
2044			235,000	25,321	235,000	25,321	260,321	470,000	96.15%	2044
2045			235,000	15,275	235,000	15,275	250,275	235,000	98.08%	2045
2046			235,000	5,111	235,000	5,111	240,111	0	100.00%	2046
	2,305,000	607,000	3,615,000	1,765,404	12,211,151	3,579,870	15,791,022			

* Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Kenosha County	\$29,444,122,000	0.0019%	\$159,535,000	\$3,031
Gateway Technical College	86,397,448,588	0.4219%	78,490,000	331,149
Genoa City J2 School District	723,549,894	50.3061%	5,640,000	2,837,264
Wilmot Union High School	4,085,589,309	0.0134%	20,000,000	2,680
Randall Consolidated Joint 1 School District	1,426,037,947	0.0384%	6,875,000	2,640
Lake Geneva-Genoa City UHS	8,080,000,297	4.5048%	4,088,000	<u>184,156</u>
Village's Share of Total Overlapping Debt				<u><u>\$3,360,921</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$364,536,800	Debt/ Per Capita 2,926⁴
Total General Obligation Debt*	\$12,211,151	3.35%	\$4,173.33
Village's Share of Total Overlapping Debt	<u>3,360,921</u>	<u>0.92%</u>	<u>1,148.64</u>
Total*	\$15,572,072	4.27%	\$5,321.97

*Preliminary, subject to change.

¹ Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section. Walworth County currently has no outstanding general obligation debt.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA, Wisconsin Department of Revenue, Wisconsin Department of Public Instruction and the Municipal Advisor's records.

⁴ Estimated 2025 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Walworth County

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2021/22	\$1,894,672	100%	\$7.83
2022/23	1,939,709	100%	6.74
2023/24	2,081,286	100%	6.81
2024/25	2,174,896	100%	6.53
2025/26	2,175,063	In Process of Collection	5.98

Kenosha County

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2021/22	\$2,912	100%	\$7.82
2022/23	3,022	100%	6.99
2023/24	3,205	100%	6.85
2024/25	3,221	100%	6.41
2025/26	3,055	In Process of Collection	5.58

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current State law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may

then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. Uncollected personal property taxes owed by an entity that had ceased operations or filed a petition for bankruptcy, or were due on personal property that had been removed from the next assessment roll were formerly collected from each taxing entity in the year following the levy year. The personal property tax was repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax was replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Walworth

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$11.82	\$3.34	\$7.83	\$22.99
2022/23	10.14	2.90	6.74	19.78
2023/24	9.62	2.50	6.81	18.93
2024/25	9.20	2.30	6.53	18.03
2025/26	9.17	2.19	5.98	17.34

Kenosha

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$12.18	\$4.46	\$7.82	\$24.46
2022/23	10.83	3.84	6.99	21.66
2023/24	8.57	3.58	6.85	19.00
2024/25	9.05	3.39	6.41	18.85
2025/26	8.82	3.25	5.58	17.65

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent; for a tax incremental district created after December 31, 2024, the valuation

¹ The Schools tax rate reflects the composite rate of all local school districts and technical college district.

factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

The Notes were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of State programs exist which provide revenue to the Village. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the Village that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2025, the Village received approximately \$153,800 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$150,400 received in 2024. The Village is expected to receive approximately \$203,600 in shared revenue under Chapter 79, Wis. Stats. in 2026. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated in 1901 and is governed by a Village President and six other Village Board members. The Village President is a voting member. All are elected to two-year terms. The appointed Village Clerk/Treasurer and Village Manager are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 17 full-time, six part-time, and one seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village may not pay the employees' required contribution. During the fiscal year ended December 31, 2022, the fiscal year ended December 31, 2023 and the fiscal year ended December 31, 2024 ("Fiscal Year 2024"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$91,481, \$105,988 and \$117,660, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion. As of December 31, 2024, the total pension liability of the WRS was calculated as \$136.18 billion and the fiduciary net position of the WRS was calculated as \$134.54 billion, resulting in a net pension liability of \$1.64 billion. Accordingly, the Village will continue to report a liability for its proportionate share of the net pension liability in its audited financial statements for the year ended December 31, 2025.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2024, the Village reported a liability of \$118,309 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2023 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.00795728% of the aggregate WRS net pension liability as of December 31, 2023.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note I in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible Village personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.¹

¹ On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs' motion for judgment on the pleadings and striking down substantial portions of the Act. The court's decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the Village, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining unit represents employees of the Village:

Bargaining Unit	Expiration Date of Current Contract
Labor Association of Wisconsin-Police Department	December 31, 2030

OTHER POST EMPLOYMENT BENEFITS

The Village does not provide any other post employment benefits.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Village or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the Village to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the Village to file for relief under Chapter 9. If, in the future, the Village were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the Village could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the Village is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the Village could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no

assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the Village; (b) to any particular assets of the Village, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the Village were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or State law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of January 31, 2026)

Fund	Total Cash and Investments
General Fund	\$6,203,927
Water Fund	724,834
Sewer Fund	721,973
Library Savings	18,110
Dare (checking)	<u>9,694</u>
 Total Funds on Hand	 <u><u>\$7,678,538</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the Village's enterprise funds have been as follows as of December 31 each year:

	2022 Audited	2023 Audited	2024 Audited
Water			
Total Operating Revenues	\$859,303	\$855,002	\$916,437
Less: Operating Expenses	<u>(777,064)</u>	<u>(787,087)</u>	<u>(823,020)</u>
Operating Income	\$82,239	\$67,915	\$93,417
Plus: Depreciation	185,249	195,169	196,123
Interest Income	<u>7,121</u>	<u>48,833</u>	<u>30,944</u>
Revenues Available for Debt Service	<u><u>\$274,609</u></u>	<u><u>\$311,917</u></u>	<u><u>\$320,484</u></u>
Sewer			
Total Operating Revenues	\$896,916	\$890,656	\$1,063,039
Less: Operating Expenses	<u>(776,602)</u>	<u>(951,007)</u>	<u>(1,071,441)</u>
Operating Income	\$120,314	(\$60,351)	(\$8,402)
Plus: Depreciation	165,006	167,282	169,645
Interest Income	<u>5,558</u>	<u>34,041</u>	<u>30,345</u>
Revenues Available for Debt Service	<u><u>\$290,878</u></u>	<u><u>\$140,972</u></u>	<u><u>\$191,588</u></u>

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the Village's General Fund. These summaries are not purported to be the complete audited financial statements of the Village, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village. Copies of the complete statements are available upon request. Appendix A includes the 2024 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT				
	2022	2023	2024	2025
	Audited	Audited	Audited	Unaudited
Revenues				
Taxes & Special assessments	\$1,347,022	\$1,356,752	\$1,553,122	\$2,308,966
Intergovernmental	500,306	326,037	433,270	423,904
Licenses and permits	102,534	133,714	103,697	135,000
Fine and forfeitures	64,958	39,213	49,860	51,500
Charges for services	215,415	242,246	261,315	260,000
Investment income	37,109	132,324	93,561	125,000
Miscellaneous	42,796	39,596	189,523	140,000
Total Revenues	<u>\$2,310,140</u>	<u>\$2,269,882</u>	<u>\$2,684,348</u>	<u>\$3,444,370</u>
Expenditures				
Current:				
General government	\$342,943	\$251,278	\$463,803	\$561,243
Public safety	1,444,301	1,389,585	1,372,658	1,317,444
Public works	592,601	552,014	712,712	588,486
Health and human services	15,432	10,459	8,145	5,000
Culture, recreation and education	14,148	16,380	19,391	169,491
Conservation and development	0	0	71,237	193,651
Capital outlay	12,500	91,066	224,725	581,276
Total Expenditures	<u>\$2,421,925</u>	<u>\$2,310,782</u>	<u>\$2,872,671</u>	<u>\$3,416,591</u>
Excess of revenues over (under) expenditures	(\$111,785)	(\$40,900)	(\$188,323)	\$27,779
Other Financing Sources (Uses)				
Transfers in - utility funds	\$194,162	\$194,162	\$196,000	
Transfers in - governmental funds	0	12,342	0	
Transfers (out) - governmental funds	(125,761)	(125,204)	(135,000)	
Transfers (out) - utility funds	(1,444)	(548,503)	0	
Total Other Financing Sources (Uses)	<u>66,957</u>	<u>(467,203)</u>	<u>61,000</u>	
Net changes in Fund Balances ¹	(\$44,828)	(\$508,103)	(\$127,323)	
General Fund Balance January 1	<u>\$900,725</u>	<u>\$855,897</u>	<u>\$347,794</u>	
General Fund Balance December 31	\$855,897	\$347,794	\$220,471	
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	\$0	\$75,439	\$61,535	
Assigned	220,938	220,938	69,288	
Unassigned	634,959	51,417	89,648	
Total	<u>\$855,897</u>	<u>\$347,794</u>	<u>\$220,471</u>	

¹ The recent decline in fund balance is primarily due to the use of the general fund to support capital projects in lieu of borrowing and to support the Village's water utility fund. The Wisconsin Public Service Commission recently approved an adjustment to water rates for the water utility to increase revenues by approximately 16%, which the Village believes will eliminate the need for future support from the general fund. The Village's fund balance policy provides a goal to maintain an unassigned fund balance in the general fund at fiscal year-end of not less than 25% of general fund annual expenditures. While this policy is not currently being met, the Village's budget now includes a contingency amount, which along with the decreased support of the water utility is expected to help the Village restore its fund balance in the future to meet the policy.

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget¹
Revenues	
Taxes & Special assessments	\$2,298,117
Intergovernmental	505,634
Licenses and permits	147,250
Fine and forfeitures	51,000
Charges for services	260,049
Other Financial Sources	208,418
Miscellaneous	126,100
Total Revenues	<u>\$3,596,568</u>
Expenditures	
Current:	
General government	\$595,165
Public safety	1,085,696
Public works	599,276
Health and human services	5,500
Culture, recreation and education	166,000
Conservation and development	53,000
Debt Svc & Other Financial Sources	1,091,931
Total Expenditures	<u>\$3,596,568</u>
Excess of revenues over (under) expenditures	\$0

¹ The 2026 budget was adopted on November 24, 2025.

GENERAL INFORMATION

LOCATION

The Village, with a 2020 U.S. Census population of 2,982 and a current estimated population of 2,926 comprises an area of six square miles and is located approximately 40 miles east of Beloit and 35 miles west of Kenosha, along the Wisconsin/Illinois state border.

LARGER EMPLOYERS¹

Larger employers in the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Genoa City Joint 2 School District	K-8 education	89
Rock Solid Stabilization	Soil stabilization	80
ISM Restaurant Service	Restaurant Service Company	51
Pownail Company Inc.	Pneumatic pownailer manufacturer	50
Pfi Fashions Inc.	Screen printing	45
Maestranzi Corp.	Locomotive manufacturer	42
Robinson Wholesale Inc.	Sporting goods manufacturer	40
Herner's Hideaway	Restaurant/bar	30 ²
Fitzgerald's Genoa Junction ³	Restaurant	25
The Village	Municipal government and services	24

Source: Data Axle Reference Solutions, written and telephone survey, Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

² Seasonal employees, count varies.

³ Formerly listed as Fitzgerald's Octagon House INC.

BUILDING PERMITS

	2022	2023	2024	2025	2026 ¹
<u>New Single Family Homes</u>					
No. of building permits	0	0	0	15	0
Valuation	\$0	\$0	\$0	\$4,522,500	\$0
 <u>New Commercial/Industrial</u>					
No. of building permits	0	14	53	1	0
Valuation	\$0	\$1,154,000	\$1,856,347	\$195,000	\$0
 <u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	94	145	155	85	4
Valuation	\$704,761	\$2,141,068	\$2,538,765	\$5,599,864	\$44,594

Source: The Village.

¹ As of February 2, 2026.

U.S. CENSUS DATA

Population Trend: The Village

2010 U.S. Census Population	3,042
2020 U.S. Census Population	2,982
Percent of Change 2010 - 2020	-1.97%
2025 Estimated Population	2,926

Income and Age Statistics

	The Village	Walworth County	State of Wisconsin	United States
2024 per capita income	\$33,772	\$45,175	\$43,373	\$44,673
2024 median household income	\$81,213	\$80,520	\$77,485	\$80,734
2024 median family income	\$94,205	\$104,025	\$100,141	\$99,999
2024 median gross rent	\$1,181	\$1,150	\$1,087	\$1,413
2024 median value owner occupied units	\$241,300	\$302,700	\$266,500	\$332,700
2024 median age	34.9 yrs.	41.4 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
Village % of 2024 per capita income	77.86%	75.60%
Village % of 2024 median family income	94.07%	94.21%

Housing Statistics

	<u>The Village</u>		
	2020	2024	Percent of Change
All Housing Units	1,175	1,153	-1.87%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Walworth County	Walworth County	State of Wisconsin	
2021	55,290	3.7%	3.8%	
2022	55,955	2.8%	2.8%	
2023	57,146	2.8%	2.8%	
2024, ¹	59,034	2.8%	3.0%	
2025, December ¹	58,659	2.7%	3.0%	

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Village has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Notes, the Village represents that there have been no material adverse change in the financial position or results of operations of the Village, nor has the Village incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

VILLAGE OF GENOA CITY

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

YEAR ENDED DECEMBER 31, 2024

VILLAGE OF GENOA CITY

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INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Genoa City, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Genoa City (the "Village"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note K to the financial statements, in 2024 the Village adopted new accounting guidance, GASBS No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including currently known information that may raise substantial doubt shortly thereafter.

To the Village Board
Village of Genoa City, Wisconsin

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison and historical pension information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Village Board
Village of Genoa City, Wisconsin

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Lucida LLC
Lake Geneva, Wisconsin
August 6, 2025

VILLAGE OF GENOA CITY
STATEMENT OF NET POSITION
DECEMBER 31,2024

	Governmental Activities	Business-type Activities	Totals
<u>ASSETS</u>			
Cash and investments	\$ 3,004,447	\$ 802,392	\$ 3,806,839
Taxes receivable	2,131,873	-	2,131,873
Accounts receivable (net of allowance of \$20,276)	4,737	574,539	579,276
Special assessments receivable	10,205	592	10,797
Interfund advances	866,481	(866,481)	-
Inventories	-	8,585	8,585
Prepaid expenditures	1,535	150	1,685
Restricted Assets:			
Cash and investments	18,245	1,382,468	1,400,713
Capital Assets:			
Land	293,255	179,079	472,334
Construction in progress	1,783,776	1,365,497	3,149,273
Other capital assets, net of depreciation	6,249,944	8,817,944	15,067,888
TOTAL ASSETS	14,364,498	12,264,765	26,629,263
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pension	835,189	226,501	1,061,690
<u>LIABILITIES</u>			
Accounts payable	418,630	13,650	432,280
Accrued payroll and related liabilities	86,332	23,384	109,716
Accrued interest	85,709	23,284	108,993
Bonds and notes payable, due within one year	589,343	210,000	799,343
Non-current Liabilities:			
Bonds and notes payable, due in more than one year	8,496,151	335,000	8,831,151
Unamortized premium on debt issuance	211,607	-	211,607
Compensated absences	68,196	47,818	116,014
Net pension liability	93,068	25,240	118,308
TOTAL LIABILITIES	10,049,036	678,376	10,727,412
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Property tax	2,390,158	-	2,390,158
Deferred inflows related to pension	500,402	135,708	636,110
TOTAL DEFERRED INFLOWS OF RESOURCES	2,890,560	135,708	3,026,268
<u>NET POSITION</u>			
Net investment in capital assets	1,336,064	9,817,520	11,153,584
Restricted	2,295,263	1,448,021	3,743,284
Unrestricted	(1,371,236)	411,641	(959,595)
TOTAL NET POSITION	\$ 2,260,091	\$ 11,677,182	\$ 13,937,273

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES							
General government	\$ 488,017	\$ 113,731	\$ 8,976	\$ -	\$ (365,310)	\$ -	\$ (365,310)
Public safety	1,441,362	107,315	17,601	-	(1,316,446)	-	(1,316,446)
Public works	945,139	213,086	250,774	-	(481,279)	-	(481,279)
Health and human services	21,396	809	-	-	(20,587)	-	(20,587)
Culture, recreation, and education	311,908	62,348	87,539	2,465	(159,556)	-	(159,556)
Interest and fiscal charges	235,272	-	-	-	(235,272)	-	(235,272)
TOTAL GOVERNMENTAL	3,443,094	497,289	364,890	2,465	(2,578,450)	-	(2,578,450)
BUSINESS-TYPE ACTIVITIES							
Water	738,885	916,437	-	-	-	177,552	177,552
Sewer	1,075,290	1,063,038	-	-	-	(12,252)	(12,252)
TOTAL BUSINESS-TYPE	1,814,175	1,979,475	-	-	-	165,300	165,300
TOTAL PRIMARY GOVERNMENT	\$ 5,257,269	\$ 2,476,764	\$ 364,890	\$ 2,465	(2,578,450)	165,300	(2,413,150)
GENERAL REVENUES AND TRANSFERS							
Taxes:							
Property taxes levied for general purposes					1,427,277	-	1,427,277
Property taxes levied for debt service					657,214	-	657,214
Other taxes					1,573	-	1,573
Intergovernmental revenues not restricted to specific programs					178,943	-	178,943
Gain on sale of Village property					6,410	-	6,410
Investment income					92,271	61,289	153,560
Interest on special assessments					1,307	-	1,307
Miscellaneous					94,802	-	94,802
Transfers					314,393	(314,393)	-
TOTAL GENERAL REVENUES AND TRANSFERS					2,774,190	(253,104)	2,521,086
CHANGE IN NET POSITION					195,740	(87,804)	107,936
NET POSITION - BEGINNING OF YEAR					2,064,351	11,764,986	13,829,337
NET POSITION - END OF YEAR					\$ 2,260,091	\$ 11,677,182	\$ 13,937,273

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Debt Service	Capital Projects Fund	Nonmajor Governmental Funds	Total
<u>ASSETS</u>					
Cash and investments	\$ 647,484	\$ -	\$ 2,306,190	\$ 50,773	\$ 3,004,447
Receivables:					
Taxes	2,131,873	-	-	-	2,131,873
Accounts (net of allowance of \$20,276)	4,737	-	-	-	4,737
Special assessments	10,205	-	-	-	10,205
Prepaid expenditures	1,535	-	-	-	1,535
Advance to utility funds	60,000	-	806,481	-	866,481
Restricted Assets:					
Cash and investments	8,473	-	-	9,772	18,245
TOTAL ASSETS	2,864,307	-	3,112,671	60,545	6,037,523
<u>LIABILITIES</u>					
Accounts payable	156,212	-	262,418	-	418,630
Accrued payroll and related liabilities	82,820	-	-	3,512	86,332
TOTAL LIABILITIES	239,032	-	262,418	3,512	504,962
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Property taxes	2,390,158	-	-	-	2,390,158
Special assessments	14,646	-	-	-	14,646
TOTAL DEFERRED INFLOWS OF RESOURCES	2,404,804	-	-	-	2,404,804
<u>FUND BALANCES</u>					
Nonspendable	61,535	-	806,481	-	868,016
Restricted	-	-	2,043,772	9,772	2,053,544
Assigned	69,288	-	-	47,261	116,549
Unassigned	89,648	-	-	-	89,648
TOTAL FUND BALANCES	\$ 220,471	\$ -	\$ 2,850,253	\$ 57,033	\$ 3,127,757

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$ 3,127,757
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds as assets.		
Capital assets	\$ 11,949,046	
Accumulated depreciation	<u>(3,622,071)</u>	8,326,975
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		
Special assessments		14,646
The Village's proportionate share of the net pension liability at the Wisconsin Retirement System is reported on the statement of net position, but is not reported in the governmental funds.		(93,068)
Deferred outflows and inflows of resources related to pensions are applicable to future periods, and therefore, are not reported in the governmental funds.		
Deferred outflows related to pensions	835,189	
Deferred inflows related to pensions	<u>(500,402)</u>	334,787
Long-term debt and related items are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Long-term liabilities at year end consist of:		
Bonds and notes payable	(9,085,494)	
Compensated absences	(68,196)	
Unamortized premium on debt issuance	<u>(211,607)</u>	(9,365,297)
Accrued interest payable on debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.		<u>(85,709)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u>\$ 2,260,091</u>

VILLAGE OF GENOA CITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31,2024

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 1,547,243	\$ 657,214	\$ -	\$ -	\$ 2,204,457
Special assessments	5,879	-	-	-	5,879
Intergovernmental	433,270	-	-	87,539	520,809
Licenses and permits	103,697	-	-	-	103,697
Fines and forfeitures	49,860	-	-	-	49,860
Charges for services	261,315	-	-	4,223	265,538
Investment income	93,561	-	110,783	17	204,361
Miscellaneous	189,523	-	-	15,372	204,895
TOTAL REVENUES	2,684,348	657,214	110,783	107,151	3,559,496
EXPENDITURES					
Current:					
General government	463,803	-	-	-	463,803
Public safety	1,372,658	-	-	-	1,372,658
Public works	712,712	-	5,609	-	718,321
Health and human services	8,145	-	-	-	8,145
Culture, recreation, and education	19,391	-	-	226,498	245,889
Conservation and development	71,237	-	-	-	71,237
Capital outlay	224,725	-	951,616	-	1,176,341
Debt Service:					
Principal retirement	-	453,749	-	-	453,749
Interest and fiscal charges	-	203,465	89,177	-	292,642
TOTAL EXPENDITURES	2,872,671	657,214	1,046,402	226,498	4,802,785
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(188,323)	-	(935,619)	(119,347)	(1,243,289)
OTHER FINANCING SOURCES (USES)					
Transfers in - utility funds	196,000	-	-	-	196,000
Transfers in - governmental funds	-	-	-	135,000	135,000
Transfers out - governmental funds	(135,000)	-	-	-	(135,000)
Proceeds from debt	-	-	2,465,000	-	2,465,000
Premium on debt issuance	-	-	116,164	-	116,164
TOTAL OTHER FINANCING SOURCES (USES)	61,000	-	2,581,164	135,000	2,777,164
NET CHANGE IN FUND BALANCES	(127,323)	-	1,645,545	15,653	1,533,875
FUND BALANCES - BEGINNING OF YEAR	347,794	-	1,204,708	41,380	1,593,882
FUND BALANCES - END OF YEAR	\$ 220,471	\$ -	\$ 2,850,253	\$ 57,033	\$ 3,127,757

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31,2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 1,533,875

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report certain capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$ 1,176,341	
Depreciation expense	<u>(396,375)</u>	779,966

Governmental funds report proceeds from the issuance of long-term debt as other financing sources, but issuing debt increase long-term liabilities in the statement of net position. Repayments of long-term debt principal are expenditures in the governmental funds but the repayments reduce long-term liabilities in the statement of net position.

Proceeds received	(2,465,000)	
Premium on issuance of debt	<u>(116,164)</u>	(2,581,164)

Receivables that are not currently available are reported as revenue when collected, or currently available, in the fund financial statements and are recognized as revenue when earned in the government-wide statements.

(5,878)

In the statement of activities, the cost of pension benefits earned net of employee contributions is reported as an expense (revenue). In the governmental funds, however, expenditures (revenues) for these items are measured by the amount of financial resources used.

Pension revenue (expense)	(55,559)	
Pension contributions	<u>104,719</u>	49,160

Repayments of long-term debt principal are expenditures in the governmental funds but the repayments reduce long-term liabilities in the statement of net position.

Principal payments on long-term debt		453,749
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Changes in interest accrued on long-term debt	(37,420)	
Amortization of premium on debt issuance	5,614	
Changes in compensated absences	<u>(2,162)</u>	(33,968)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 195,740

VILLAGE OF GENOA CITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31,2024

	Business-type Activities -		
	Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<u>ASSETS</u>			
Current Assets:			
Cash and investments	\$ 476,111	\$ 326,281	\$ 802,392
Customer accounts receivable	183,762	389,588	573,350
Other accounts receivable	1,189	-	1,189
Prepaid expenditures	75	75	150
Inventories	8,585	-	8,585
Total Current Assets	669,722	715,944	1,385,666
Non-current Assets:			
Restricted Assets:			
Cash and investments	692,603	689,865	1,382,468
Other Assets:			
Special assessments	592	-	592
Capital Assets:			
Land	250	178,829	179,079
Construction in process	1,072,443	293,054	1,365,497
Other plant and equipment, net of depreciation	5,036,739	3,781,205	8,817,944
Total Non-current Assets	6,802,627	4,942,953	11,745,580
TOTAL ASSETS	7,472,349	5,658,897	13,131,246
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pension	97,264	129,237	226,501
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	4,237	9,413	13,650
Accrued payroll and related liabilities	7,655	15,729	23,384
Advance from general fund	779,847	86,634	866,481
General obligation notes payable, due within one year	15,000	-	15,000
Liabilities Payable from Restricted Assets:			
Revenue bonds payable, due within one year	195,000	-	195,000
Accrued interest	20,183	3,101	23,284
Total Current Liabilities	1,021,922	114,877	1,136,799
Non-current Liabilities:			
General obligation notes payable, due in more than one year	250,000	85,000	335,000
Accrued compensated absences	21,605	26,213	47,818
Net pension liability	10,839	14,401	25,240
Total Non-current Liabilities	282,444	125,614	408,058
TOTAL LIABILITIES	1,304,366	240,491	1,544,857
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pension	58,276	77,432	135,708
<u>NET POSITION</u>			
Net investment in capital assets	5,649,432	4,168,088	9,817,520
Restricted	720,752	727,269	1,448,021
Unrestricted	(163,213)	574,854	411,641
TOTAL NET POSITION	\$ 6,206,971	\$ 5,470,211	\$ 11,677,182

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<u>OPERATING REVENUES</u>			
Charges for service	\$ 886,976	\$ 1,029,198	\$ 1,916,174
Other operating revenue	29,461	33,841	63,302
TOTAL OPERATING REVENUES	<u>916,437</u>	<u>1,063,039</u>	<u>1,979,476</u>
<u>OPERATING EXPENSES</u>			
Operation and maintenance	252,523	374,886	627,409
Administrative expense	243,956	506,048	750,004
Depreciation	196,123	169,645	365,768
Taxes	<u>130,418</u>	<u>20,862</u>	<u>151,280</u>
TOTAL OPERATING EXPENSES	823,020	1,071,441	1,894,461
OPERATING INCOME	93,417	(8,402)	85,015
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Investment income	30,944	30,345	61,289
Interest expense	<u>(32,752)</u>	<u>(5,356)</u>	<u>(38,108)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(1,808)</u>	<u>24,989</u>	<u>23,181</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	91,609	16,587	108,196
<u>CONTRIBUTIONS AND TRANSFERS</u>			
Transfers out - other	<u>(92,000)</u>	<u>(104,000)</u>	<u>(196,000)</u>
CHANGE IN NET POSITION	(391)	(87,413)	(87,804)
NET POSITION - BEGINNING OF YEAR	<u>6,207,362</u>	<u>5,557,624</u>	<u>11,764,986</u>
NET POSITION - END OF YEAR	<u>\$ 6,206,971</u>	<u>\$ 5,470,211</u>	<u>\$ 11,677,182</u>

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31,2024

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from customers and users	\$ 866,814	\$ 906,124	\$ 1,772,938
Payments to suppliers	(463,749)	(659,763)	(1,123,512)
Payments to employees	(161,334)	(231,146)	(392,480)
NET CASH PROVIDED BY OPERATING ACTIVITIES	241,731	15,215	256,946
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Transfers to other funds	(92,000)	(104,000)	(196,000)
Advances from other funds	719,847	86,634	806,481
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	627,847	(17,366)	610,481
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Debt principal retired	(200,000)	(5,000)	(205,000)
Interest paid	(16,098)	(3,005)	(19,103)
Special assessments	15,105	-	15,105
Acquisition and construction of capital assets	(754,985)	(86,634)	(841,619)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(955,978)	(94,639)	(1,050,617)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Redemption of investments	1,084,908	775,780	1,860,688
Purchase of investments	(692,603)	(689,865)	(1,382,468)
Investment income	30,944	30,345	61,289
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	423,249	116,260	539,509
NET CHANGE IN CASH AND INVESTMENTS	336,849	19,470	356,319
CASH AND INVESTMENTS - BEGINNING OF YEAR	139,262	306,811	446,073
CASH AND INVESTMENTS - END OF YEAR	\$ 476,111	\$ 326,281	\$ 802,392

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31,2024

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<u>RECONCILIATION OF OPERATING INCOME TO</u>			
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>			
Operating income	\$ 93,417	\$ (8,402)	\$ 85,015
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	196,123	169,645	365,768
Depreciation charged to other funds	6,084	(6,084)	-
Changes in assets and liabilities:			
Accounts receivable	(49,623)	(156,915)	(206,538)
Prepaid expenditures	5,103	9,458	14,561
Inventories	738	-	738
Pension and deferred outflows and inflows	(1,087)	14,886	13,799
Accounts payable	(7,457)	(6,960)	(14,417)
Other current liabilities	973	3,325	4,298
Accrued compensated absences	(2,540)	(3,738)	(6,278)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 241,731	\$ 15,215	\$ 256,946
<u>RECONCILIATION OF CASH AND INVESTMENTS TO THE</u>			
<u>STATEMENT OF NET POSITION- PROPRIETARY FUNDS</u>			
Cash and investments	476,111	326,281	802,392
Restricted cash and investments	692,603	689,865	1,382,468
Total Cash and Investments	1,168,714	1,016,146	2,184,860
Less: non-current investments	(692,603)	(689,865)	(1,382,468)
TOTAL CASH AND INVESTMENTS	\$ 476,111	\$ 326,281	\$ 802,392

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	Custodial Funds
<u>ASSETS</u>	
Cash and investments	\$ 527,417
Taxes receivable	3,306,633
TOTAL ASSETS	3,834,050
 <u>LIABILITIES</u>	
Due to other governmental units	3,834,050
TOTAL LIABILITIES	3,834,050
 <u>NET POSITION</u>	 \$ -

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Custodial Funds
<u>ADDITIONS</u>	
Collection of property taxes	\$ 3,712,171
 <u>DEDUCTIONS</u>	
Distributions to other governmental units	3,712,171
 Net change in fiduciary net position	 -
 Net position, January 1	 -
 Net position, December 31	 \$ -

See accompanying notes to basic financial statements.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

Note A - Summary of Significant Accounting Policies

The basic financial statements of the Village of Genoa City (the "Village") have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below.

Financial Reporting Entity

The reporting entity for the Village is based upon criteria set forth by the GASB. This report includes all of the funds of the Village. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the Village's financial statements to be misleading or incomplete.

A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the Village. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met. (1) the economic resources received or held by the separate organization are entirely, or almost entirely, for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or had the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report does not contain any component units.

Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed, in whole or in part, by fees and charges for goods or services. Eliminations have been made to avoid double counting of internal activities of the Village.

The statement of net position presents the governmental activities assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position on a full accrual basis, which recognizes all long-term assets and long-term liabilities. The Village's net position is reported in three classifications: net investment in capital assets, which consists of the difference between capital assets net of accumulated depreciation less outstanding debt used to acquire those assets; restricted net position, which represents assets required by outside parties or legislation to be spent in a specific manner; and unrestricted net position, which represents net position not included in the other two classifications.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Government-wide Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Village does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or proprietary fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and proprietary funds combined.
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Major Governmental Funds

The Village reports the following major governmental funds:

General Fund – the General Fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for, and report, all financial resources of the Village except those legally or administratively required to be accounted for in another fund.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Major Governmental Funds (continued)

Debt Service Fund – the Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term obligation principal, interest and related costs other than for Utility and TIF debt.

Capital Projects Fund – the Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities, streets or equipment.

The Village reports the following major proprietary funds:

Water Utility Enterprise Fund - accounts for the activities of operating the Village water distribution system.

Sewer Utility Enterprise Fund - accounts for the activities of operating the sewage treatment plant, sewage pumping stations and collections system.

Non-Major Funds

The Village reports the following non-major governmental funds:

TIF No. 2 Debt Service Fund – the TIF No. 2 Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term obligation principal, interest and related costs for TIF No. 2.

Special Revenue Library Fund – the Special Revenue Library Fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for the library.

Additionally, the Village reports the following fund type:

Fiduciary Funds – Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Village’s custodial fund is used for recording assets collected for other taxing jurisdictions. Since by definition these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not included in the preparation of the government-wide statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Government-wide Financial Statements (continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's Water and Sewer Utilities, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period in which the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available, are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources. Delinquent special assessments being held by the County are reported as receivable and deferred inflows of resources.

Revenue susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The Village reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Fiduciary (agency) funds allow the accrual basis of accounting, and do not have a measurement focus.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Fund Financial Statements (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Village's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Estimates

The preparation of the Village's financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Investments

The Village's cash and equivalents consist of cash on hand and demand deposits. Cash balances for individual funds are pooled unless maintained in segregated accounts. For purposes of the statement of cash flows for the enterprise funds, cash equivalents are temporary cash investments with a maturity of three months or less at the date of purchase.

Wisconsin Statute 66.0603 authorizes the Village to invest in the following types of investments:

- Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in Wisconsin.
- Bonds or securities of any county, drainage district, technical college district, city, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed by the federal government and its agencies.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

The Village has adopted an investment policy which permits all investments allowed under the state statutes as described above.

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Cash, Cash Equivalents and Investments (continued)

As discussed in Footnote B, the Village categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Common Stock and Exchange Traded Funds: Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Village believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Interest income is recorded on the accrual basis. Interest income on comingled investments of the Village's accounting funds is allocated based on average investment balances. Purchases and sales of investments are recorded on a trade-date basis. Realized gains and losses of the Village's assets are reported in the statement of revenues, expenditures and changes in fund balances. Adjustments necessary to record investments at fair value are recorded in the statement of revenues, expenditures and changes in fund balance as investment income.

The Village has investments with Ehlers Investments consisting of money market funds, certificates of deposit, and mutual funds. Ehlers has no minimum investment period. Ehlers is the joint marketing name of the following affiliated businesses (collectively, the "Affiliates"): Ehlers & Associates, Inc. ("EA"), a municipal advisor registered with the Municipal Securities Rulemaking Board ("MSRB") and the Securities and Exchange Commission ("SEC"); Ehlers Investment Partners, LLC ("EIP"), an SEC registered investment adviser; and Bond Trust Services Corporation ("BTS"), holder of a limited banking charter issued by the State of Minnesota.

Receivables

In the government-wide statements, receivables consist of all revenues earned, or to which the Village is otherwise entitled, but has not yet received. Accounts receivable in all funds report amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectable amounts. Major receivable balances for the governmental activities include taxes, user charges and special assessments.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as intergovernmental grants and aids, user charges for services provided, and other similar revenues since they are usually both measurable and available. Receivables collectible but not available are deferred in the fund financial statements in accordance with the accrual basis of accounting. Interest and investment earnings are recorded when earned, only if paid within 60 days since they would be considered both measurable and available.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Receivables (continued)

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Management has estimated an allowance for doubtful accounts for the delinquent personal property taxes and delinquent special charges since a significant portion of receivables are not expected to be collected. No provision for uncollectible accounts receivable has been made for the enterprise funds because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are provided. In addition to property taxes for the municipality, taxes are collected for and remitted to the state and county governments, and local and vocational school districts. Taxes for all state and other local governmental units billed in the current year for the succeeding year are reflected as receivables and as due to other governmental units on the statement of fiduciary net position – custodial funds. Taxes are levied in December on the assessed value as of the prior January 1.

Details of the Village’s property tax calendar follows:

Lien and levy dates	December 2024
Real estate collection due dates:	
First installment due	January 31, 2025
Second installment due	July 31, 2025
Personal property tax due in full	January 31, 2025
Final settlement with county	August 2025
Tax sale of 2024 delinquent real estate taxes	October 2027

Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes collection. Therefore, management has determined that no allowance account is considered necessary for real estate taxes.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered that may result in amounts owed between funds. These receivables and payables are classified as due from other funds and due to other funds on the balance sheet as appropriate. For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. See Note E for additional information.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Inventories

Inventories of the Utility Enterprise Fund are generally used in the operation and maintenance of the Water Utility. The inventories are valued at cost (first-in, first-out method), which approximates market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased, when applicable.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note A - Summary of Significant Accounting Policies (continued)

Prepaid Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

Restricted Assets

Cash and investments of the Village have been restricted by either bond ordinance or board resolution for the following purposes:

	Governmental Activities	Water Utility	Sewer Utility	Total
TIF #2 debt service	\$ 9,772	\$ -	\$ -	\$ 9,772
Police - D.A.R.E.	7,796	-	-	7,796
Police reserve	687	-	-	687
DPW SA reserve	(10)	-	-	(10)
Equipment replacement fund	-	-	689,865	689,865
Bond reserve fund	-	297,341	-	297,341
Bond redemption and depreciation fund	-	395,262	-	395,262
Total restricted assets	\$ 18,245	\$ 692,603	\$ 689,865	\$ 1,400,713

Capital Assets

The accounting treatment related to capital assets depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Statements – In the government-wide financial statements, capital assets, which include property, plant, equipment and intangible assets are recorded as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$3,000 and an estimated useful life in excess of two years, except for certain assets of the Water and Sewer Utilities which may be capitalized at a lower cost. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of maintenance and repairs that do not add to the value of the asset or extend the asset life are not capitalized. No interest was capitalized during the year.

Prior to January 1, 2004, infrastructure assets of the Village’s governmental funds were not required to be capitalized. Upon implementation of GASB 34, the Village is required to account for all capital assets, including infrastructure, in the government-wide financial statements prospectively from the date of implementation. Retroactive reporting of all major infrastructure assets was encouraged but not required. The Village has elected to report infrastructure of its governmental activities prospectively. Consequently, non-utility infrastructure acquired prior to 2004 is not included in the financial statements.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Capital Assets (continued)

Government-wide Statements (continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed.

The range of estimated useful lives by type of asset is as follows:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	30 - 75
Machinery and equipment	5 - 20
Infrastructure	3 - 100

Fund Financial Statements – In the fund financial statements, capital assets acquired in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

Compensated Absences

Village employees earn vacation time in varying amounts. Employees are required to use their available vacation time by the employee's anniversary date of employment, or it will be forfeited. The amount of accumulated vacation time as of year-end is reported in the amount of \$21,635 for the governmental activities and \$13,570 for business-type activities.

Village employees also earn sick leave in varying amounts. All employees receive one half of their sick pay upon severance. At December 31, 2024, the total sick leave benefits payable upon termination or retirement were approximately \$43,406 for the governmental activities and \$32,571 for business-type activities.

Village employees may also accumulate compensatory time for overtime hours worked but not used as vacation at year end. At December 31, 2024, the total compensatory leave benefits payable were approximately \$3,155 for governmental activities and \$1,677 for business-type activities.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of GASB pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows and inflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and thus will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period(s) and thus, will not be recognized as an inflow of resources (revenue) until then. The District reports deferred inflows and outflows of resources related to the WRS net pension liability (asset), which is explained in more detail in Note I.

Long-term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt issued is reported as an "other financing source". Payments of principal and interest, as well as costs of issuance, are reported as expenditures in the period in which they occur.

For the government-wide statements, bond premiums are deferred and amortized over the life of the issuance using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for premiums is shown as a liability on the statement of net position. The balance at year-end for gains/losses on a prior debt refunding is shown as a deferred outflow of resources on the statement of net position when applicable. The accounting for proprietary fund obligations is the same in the fund financial statements as it is in the government-wide financial statements.

Pensions

The fiduciary net position of the Wisconsin Retirement System ("WRS") has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- Pension Expense (Revenue)

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they were reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note I for more detailed information.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note A - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balances

Government-wide Statements and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – Consists of Net Position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – Consists of Net Position which are available for appropriation and expenditure in future periods and are neither classified as restricted or as net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements

Governmental fund equity is classified as fund balance. The GASB established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The initial distinction that is made is identifying amounts that are considered nonspendable. Fund balance is further classified as restricted, committed, assigned and unassigned.

The Village's fund balance classification policies and procedures are as follows:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are not in a spendable form and cannot be converted to cash or because they are legally or contractually required to remain intact.

Restricted Fund Balance – includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed Fund Balance – includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Village Board, the Village's highest level of decision-making authority. This formal action is a board resolution.

Assigned Fund Balance – includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Assignments of fund balance are created by the Village Board.

Unassigned Fund Balance – is the residual classification for the general fund (fund balances that have not been restricted, committed or assigned to specific purposes within the General Fund), and deficit fund balances within other funds.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note A - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balances

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the Village's policy to use the most restricted resources first.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's general policy to use restricted resources first.

The Village applies resources in the following order when expense is incurred for purposes of which multiple fund balances are available: restricted, committed, assigned and unassigned.

It is the goal of the Village to achieve and maintain an unassigned fund balance in the general fund at fiscal year end of not less than 40% of General Fund annual expenditures. If the unassigned fund balance at fiscal year-end falls below the goal, the Village shall develop a restoration plan to achieve and maintain the minimum fund balance.

Utility User Rates

Water and Sewer Utility rates were effective May 1, 2020.

Subsequent Events

Management of the Village has evaluated subsequent events for possible inclusion or disclosure through the date of the financial statements were available for distribution, August 6, 2025. No events were noted that required inclusion or disclosure.

Note B - Cash and Investments

The Village's cash and investments at December 31, 2024 consisted of the following:

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Petty Cash	\$ 573	\$ -	\$ 573
<u>Custodial Risk:</u>			
Demand deposits	3,396,520	-	3,396,520
Money market	177,141	-	177,141
<u>Custodial and Interest Rate Risk:</u>			
Certificates of deposit	-	750,520	750,520
Mutual funds	-	1,372,000	1,372,000
Common stock	-	38,215	38,215
	<u>\$ 3,574,234</u>	<u>\$2,160,735</u>	<u>\$ 5,734,969</u>

The Village's cash and investments are reported in the financial statements as follows:

Per Statement of Net Position:

Cash and investments	\$3,806,839
Restricted cash and investments	1,400,713

Per Statement of Fiduciary Net Position:

Cash and investments	527,417
Total Cash and Investments	<u>\$5,734,969</u>

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2024

(Continued)

Note B - Cash and Investments (continued)

Deposits in local and area banks are insured by the Federal Deposit Insurance Corporation ("FDIC"). All time and savings deposits owned by the Village and held by the Village's official custodian in an insured depository institution in the state in which the Village is located are added together and insured up to \$250,000 per financial institution. Separately, all demand deposits owned by the Village and held by the Village's official custodian in an insured depository within the state in which the Village is located are added together and insured up to an additional \$250,000 per financial institution. Deposits in each local and area bank and in the Wisconsin Local Government Investment Pool ("LGIP") are also insured by the State Deposit Guarantee Fund in the amount of \$400,000 per financial institution. However, due to the relatively small size of the Guarantee Fund in relation to the total coverage and other legal implications, recovery of material principal losses may be significant to individual government entities. Investments in the local government investment pool are covered under a surety bond issued by Financial Security Assurance, Inc. The fund insures against losses arising from principal defaults on substantially all types of securities acquired by the pool. The bond provides unlimited coverage on principal losses, reduced by any FDIC, SDGF insurance, and income on the investment during the calendar quarter a loss occurs.

Custodial Risk

Custodial risk is the risk that, in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village's carrying value for cash and investments was \$5,734,969 at December 31, 2024 and the bank's carrying value was \$5,250,143, of which \$1,537,856 was fully insured, \$1,336,578 was collateralized by pledges, \$2,299,661 was covered by supplemental coverage, and \$560,872 was uninsured and uncollateralized.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Information about the exposure of the Village's investments to this risk, using the segmented time distribution model, is as follows:

<u>Type of investment</u>	<u>Investment Maturities (in Years)</u>				<u>Total</u>
	<u>Less than 1 year</u>	<u>1 - 5 Years</u>	<u>6- 10 Years</u>	<u>Over 10 Years</u>	
Certificates of deposit	\$ 750,520	\$ -	\$ -	\$ -	\$ 750,520
Common stock	38,215	-	-	-	38,215
Mutual funds	1,372,000	-	-	-	1,372,000
	<u>\$ 2,160,735</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,160,735</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government Securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The Village does not have any investments of this type.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note B - Cash and Investments (continued)

The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Village does not have any investments that are measured using Level 2 or Level 3 inputs.

The following summarizes the classification of investments within the statement of net position by classification and method of valuation in accordance with the requirements of GAAP for the year ending December 31, 2024:

	<u>12/31/2024</u>	<u>Fair Value</u>			<u>Exempt from Disclosure</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Certificates of deposit	\$ 750,520	\$ -	\$ -	\$ -	\$ 750,520
Money market funds	177,141	-	-	-	177,141
Mutual funds	1,372,000	1,372,000	-	-	-
Common stock	38,215	38,215	-	-	-
	<u>\$ 2,337,876</u>	<u>\$1,410,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 927,661</u>

Certificates of deposit are exempt from fair value disclosure due to being valued at cost plus accrued interest.

Note C - Receivables

All of the receivables on the balance sheet – governmental funds are expected to be collected within one year.

Accounts receivable and the related allowance for doubtful accounts at December 31, 2024 are as follows:

<u>Fund</u>	<u>Outstanding Balance</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net</u>
General	\$ 25,013	\$ 20,276	\$ 4,737

Receivables consist of delinquent personal property taxes, delinquent assessment charges and tower rental fees. The corresponding allowance for doubtful accounts pertains to receivable balances for delinquent personal property taxes and delinquent assessment charges.

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not available and cannot be used to liquidate liabilities of the current period. Special assessments are not available and cannot be used to liquidate liabilities in the current period. At the end of the current fiscal year, the various components of deferred inflows reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property and other taxes receivable	\$ -	\$ 2,390,158
Special assessments	14,646	-
Total deferred / unearned revenue for governmental funds	<u>\$ 14,646</u>	<u>\$ 2,390,158</u>

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note D - Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

<u>Governmental Activities</u>	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Capital assets not being depreciated				
Land	\$ 293,255	\$ -	\$ -	\$ 293,255
Construction in progress	1,055,847	727,929	-	1,783,776
Total capital assets not being depreciated	1,349,102	727,929	-	2,077,031
Capital assets being depreciated				
Buildings and improvements	2,133,866	-	-	2,133,866
Machinery and equipment	1,794,124	448,411	(113,929)	2,128,606
Infrastructure	5,609,543	-	-	5,609,543
Total capital assets being depreciated	9,537,533	448,411	(113,929)	9,872,015
Less: accumulated depreciation	(3,339,625)	(396,375)	113,929	(3,622,071)
Net capital assets being depreciated	6,197,908	52,036	-	6,249,944
Net governmental activities capital assets	\$ 7,547,010			\$ 8,326,975

Depreciation expense was charged to governmental activities of the Village as follows:

General government	\$ 29,496
Public safety	95,097
Public works (includes depreciation of infrastructure)	258,676
Culture and recreation	13,106
Total Governmental Activities Depreciation Expense	\$ 396,375

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note D - Capital Assets (continued)

Capital asset activity in the business-type activities for the year ended December 31, 2024 was as follows:

<u>Business-Type Activities</u>	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Capital assets not being depreciated				
Land	\$ 179,079	\$ -	\$ -	\$ 179,079
Construction in process	\$ 548,692	\$ 816,806	\$ -	\$ 1,365,498
Total capital assets not being depreciated	<u>727,771</u>	<u>816,806</u>	<u>-</u>	<u>1,544,577</u>
Capital assets being depreciated				
Water:				
Source of supply	1,033,184	-	-	1,033,184
Pumping	795,866	-	-	795,866
Water treatment	515,518	-	-	515,518
Transmission and distribution	6,159,959	24,813	(5,300)	6,179,472
General plant	54,847	-	-	54,847
Sewer:				
Collection system	4,532,547	-	-	4,532,547
Pumping	787,856	-	-	787,856
Treatment and disposal	4,987,992	-	-	4,987,992
General	234,832	-	-	234,832
Total capital assets being depreciated	<u>19,102,601</u>	<u>24,813</u>	<u>(5,300)</u>	<u>19,122,114</u>
Less: accumulated depreciation	<u>(9,943,702)</u>	<u>(365,768)</u>	<u>5,300</u>	<u>(10,304,170)</u>
Net capital assets being depreciated	<u>9,158,899</u>	<u>(340,955)</u>	<u>-</u>	<u>8,817,944</u>
Net Capital Assets	<u>\$ 9,886,670</u>			<u>\$ 10,362,521</u>

Depreciation expense was charged to business-type activities of the Village as follows:

Water Utility	\$ 202,207
Sewer Utility	163,561
Total Business-type Activities Depreciation Expense	<u>\$ 365,768</u>

Depreciation expense may differ from business-type activity accumulated depreciation additions due to joint metering costs, salvage and costs associated with disposal of assets.

Note E - Interfund Receivables, Payables and Transfers

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds". Long-term interfund loans (non-current portion) are reported as "advances from and to other funds". Interfund receivables and payables between funds within governmental activities are eliminated on the statement of net position.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note E - Interfund Receivables, Payables and Transfers (continued)

The following is a schedule of advances to and from other funds at December 31, 2024:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General fund	Water utility	\$ 60,000	Finance water utility activities
Capital projects fund	Water utility	719,847	Finance capital improvements
Capital projects fund	Sewer utility	<u>86,634</u>	Finance capital improvements
		<u>\$ 866,481</u>	

The \$60,000 advance was created to finance 2021 water activities through a general obligation note. Following the debt service schedule, principal and interest payments will be made to the general fund beginning in 2030.

The \$719,847 and \$86,624 advances to the utilities were created to finance projects being accounted for in the capital projects fund. At the end of each fiscal year, an advance is recorded to the utility along with the specific capital project costs associated with the respective utility. Following the debt service schedule, principal and interest payments will be made to the capital projects fund.

Due to and from other funds cost of the following at December 31, 2024:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
None in cy		\$ -

Interfund transfers consist of the following:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Sewer Utility	\$ 104,000	Budgeted operations transfer
General Fund	Water Utility	92,000	Budgeted operations transfer
Library Fund	General Fund	<u>135,000</u>	Fund library operations
		<u>\$ 331,000</u>	

Note F - Long-term Obligations

General Obligation Debt

General obligation notes and bonds payable are backed by the full faith and credit of the Village. Governmental funds general obligation debt will be retired by future property tax levies and tax increments accumulated in the Debt Service Fund. Business-type activities general obligation debt will be retired by revenues from user fees or, if the revenues are not sufficient to cover debt, by future tax levies.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note F - Long-term Obligations

Outstanding debt and other long-term obligations were comprised of the following at December 31, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities</u>					
General obligation debt	\$ 7,074,243	\$ 2,465,000	\$ 453,749	\$ 9,085,494	\$ 589,343
Compensated absences	66,034	2,162	-	68,196	-
Total governmental activities	<u>7,140,277</u>	<u>2,467,162</u>	<u>453,749</u>	<u>9,153,690</u>	<u>589,343</u>
<u>Business-Type Activities</u>					
General obligation debt	365,000	-	15,000	350,000	15,000
Revenue bonds	385,000	-	190,000	195,000	195,000
Compensated absences	54,096	-	6,278	47,818	-
Total business-type activities	<u>804,096</u>	<u>-</u>	<u>211,278</u>	<u>592,818</u>	<u>210,000</u>
Total long-term obligations	<u>\$ 7,944,373</u>	<u>\$ 2,467,162</u>	<u>\$ 665,027</u>	<u>\$ 9,746,508</u>	<u>\$ 799,343</u>

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Principal</u>	<u>Balance 12/31/2024</u>
<u>Governmental Activities</u>					
2013A GO street improvement bonds	12/10/13	12/01/30	2% - 4.15%	1,500,000	\$ 1,055,000
2016B GO notes	04/19/16	04/01/26	1.25% - 2.05%	705,000	295,000
2017 GO notes	05/04/17	10/01/36	3% - 3.75%	2,805,000	2,310,000
2020 GO notes	12/15/20	06/01/30	1.45%'	250,000	155,494
2021 GO Notes	03/25/21	09/01/41	2.0%-3.0%	2,885,000	2,805,000
2024A GO Notes	04/04/24	09/01/38	4.00%	2,465,000	2,465,000
Total general obligation debt - governmental activities					<u>9,085,494</u>
<u>Business-type Activities</u>					
2017 GO notes	05/04/17	10/01/36	3% - 3.75%	405,000	350,000
Total All General Obligation Debt					<u>\$ 9,435,494</u>

The annual debt service requirements to maturity for general obligation long term debt as of December 31, 2024, are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 589,343	\$ 327,022	\$ 15,000	\$ 11,728
2026	669,951	267,591	15,000	11,278
2027	645,575	246,742	20,000	10,828
2028	666,214	224,147	25,000	10,228
2029	691,870	201,041	25,000	9,478
2030-2034	3,057,541	671,634	170,000	33,913
2035-2039	2,365,000	194,513	80,000	4,480
2040-2044	400,000	7,203	-	-
	<u>\$ 9,085,494</u>	<u>\$ 2,139,893</u>	<u>\$ 350,000</u>	<u>\$ 91,933</u>

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2024
(Continued)

Note F - Long-Term Obligations (continued)

Revenue Bonds

Revenue bonds are pledged by the assets and revenues of the issuing utility. Revenue bond debt outstanding at December 31, 2024 is as follows:

<u>Business-type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Principal</u>	<u>Balance 12/31/2024</u>
2016A water revenue bonds	04/19/16	05/1/25	.9% - 2%	\$ 1,600,000	<u>\$ 195,000</u>

Debt service requirements to maturity for revenue bond debt as of December 31, 2023, are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Business-type Activities</u> <u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	<u>\$ 195,000</u>	<u>\$ 1,950</u>

Debt Premiums

Debt premiums are deferred and amortized using the straight-line method over the life of the debt issuance in the government-wide statements. The unamortized debt premiums are reported in the non-current liability section of the statement of net position.

Activity for the year ended December 31, 2024 is summarized as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance Ending</u>
Governmental activities	<u>\$ 101,057</u>	<u>\$ 116,164</u>	<u>\$ 5,614</u>	<u>\$ 211,607</u>

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absence liability attributable to governmental activities will be liquidated primarily by the general fund.

Margin of Indebtedness

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. As of December 31, 2024, the Village had used 54.59% of the debt limit.

The following summarizes the debt limit calculation as of December 31, 2024.

Equalized Value - 2024	\$ 332,873,200
Debt limit (5% of \$332,873,200)	16,643,660
Deduct general obligation debt	<u>9,085,494</u>
Margin of indebtedness	<u>\$ 7,558,166</u>

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note G – Net Position and Fund Balances

Government-wide Financial Statement of Net Position

Governmental Activities

Governmental net position consists of the following:

Net Investment in Capital Assets:

Land and construction in process	\$ 2,077,031	
Other capital assets net of accumulated depreciation	6,249,944	
Plus: Unspent debt proceeds	2,306,190	
Less: Related long-term debt	(9,085,494)	
Less: Unamortized premium on issuance	<u>(211,607)</u>	
Total Net Investment in Capital Assets		\$ 1,336,064

Restricted for:

Capital projects	2,043,772	
TIF #2 debt service	9,772	
Net pension liability	<u>241,719</u>	
Total Restricted		2,295,263

Unrestricted (1,371,236)

Total Governmental Net Position \$ 2,260,091

Business-type Activities

Business-type net position consists of the following:

Net Investment in Capital Assets:

Land and construction in process	\$ 1,544,576	
Other capital assets net of accumulated depreciation	8,817,944	
Less: Related long-term debt	<u>(545,000)</u>	
Total Net Investment in Capital Assets		\$ 9,817,520

Restricted for:

Net pension liability	65,553	
Equipment replacement	689,865	
Bond reserve	297,341	
Bond redemption	<u>395,262</u>	
Total Restricted		1,448,021

Unrestricted 411,641

Total Governmental Net Position \$ 11,677,182

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note G – Net Position and Fund Balances (continued)

Fund Financial Statements

Governmental fund balances consist of the following:

Nonspendable:

General fund - prepaid expenditures	\$	1,535	
General fund - Advance to water utility		60,000	
Capital projects fund - Advance to utilities		806,481	
	\$		868,016

Restricted:

Capital projects		2,043,772	
TIF #2 debt service		9,772	
			2,053,544

Assigned:

Cemetary		54,995	
Parks		5,820	
Police		8,473	
Library		47,261	
			116,549

Unassigned:

		89,648	
Total Governmental Funds Fund Balance			\$ 3,127,757

Note H – Franchise Fees

The Village has entered into an agreement with U.S. Cellular for the right to use Village property for the purpose of installing cellular antennas. The original agreement was dated April 15, 2008, and was for a period of 5 years. The agreement has stipulations for automatic renewal for 5 successive 5-year periods. Franchise fees for the first year of the agreement were \$15,000 allowing for a 4% increase each year. Fee income under this agreement for the year ended December 31, 2024, was \$28,095.

Future minimum lease payments receivable in conjunction with the lease noted above are as follows:

Year	Amount
2025	\$ 29,219
2026	30,387
2027	31,602
	\$ 91,208

The Village also receives revenue from Charter Communications for cable television service. Charter Communications pays five percent of its gross income from cable revenue earned in the Village. In 2024, the Village received approximately \$11,995 from Charter Communications.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note I - Employee Retirement Plans

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds ("ETF"). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees), and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note I - Employee Retirement Plans (continued)

Post-Retirement Adjustments (continued)

The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2014	4.7%	25%
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13
2022	7.4	15
2023	1.6	(21)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$105,988 in contributions from the employer.

Contribution rates as of December 31, 2023 were:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.22%
Protective without Social Security	6.80%	18.12%

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At December 31, 2024, the Village reported a liability of \$118,308 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.00795728%, which was an increase of 0.00023746% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense (revenue) of \$70,626.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2024

(Continued)

Note I - Employee Retirement Plans (continued)

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 477,020	\$ 631,818
Net differences between projected and actual earnings on pension plan investments	412,290	-
Changes in assumptions	51,567	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,153	4,292
Employer contributions subsequent to measurement date	117,660	-
	<u>\$ 1,061,690</u>	<u>\$ 636,110</u>

The amount of \$117,660 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
2024	\$ 754,502	\$ 691,705
2025	614,637	548,025
2026	489,199	230,804
2027	19,082	98,967

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note I - Employee Retirement Plans (continued)

Actuarial assumptions. The total pension liability (asset) in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note I - Employee Retirement Plans (continued)

Long-term Expected Return on Plan Assets (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns¹			
As of December 31, 2023			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %²
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive Assets	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	<u>(12)</u>	3.7	1.0
Total Core Fund	<u>100</u>	7.4	4.6
Variable Fund Asset Class			
U.S. Equities	70	6.8	4.0
International Equities	<u>30</u>	7.6	4.8
Total Variable Fund	<u>100</u>	7.3	4.5

¹Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.
²New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.
³The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount rate. A single discount rate of 6.80% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77%. Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note I - Employee Retirement Plans (continued)

Sensitivity of the Village's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's proportionate share of the net pension liability (asset)	\$ 1,143,516	\$ 118,308	\$ (599,071)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

Payables to the Pension Plan. At December 31, 2024 the Village reported a payable of \$30,745 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2024.

Note J - Tax Incremental District

The Village terminated its tax incremental financing (TIF) district No. 2 during 2013 and created a Debt Service Fund with resources believed by the Village to be sufficient to retire all remaining obligations of the district. The Debt Service Fund had cash and investments of \$9,772 at December 31, 2024.

Note K - Change in Accounting Principle

In May 2020, The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, which is effective for fiscal years beginning after June 15, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Village reviewed potential SBITAs and determined there were no subscriptions that required recognition under the standard. The statement did not have an effect on the financial reporting of the Village.

Note L - Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for with the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. Payments of premiums for these policies are recorded as expenditures or expenses in the various funds of the Village.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024
 (Continued)

Note M – Joint Venture

The Village of Genoa City, Village of Bloomfield and the Town of Bloomfield jointly operate the Bloomfield-Genoa City Fire and Rescue. The cost of this joint venture is shared by the municipalities based upon their respective share of the equalized values within the boundaries of each municipality. The Bloomfield-Genoa City Fire and Rescue is governed by board members from each municipality and by appointed citizen members from each municipality. The cost to the Village for the year ended December 31, 2024 was \$496,786.

Note N - Litigation, Contingencies and Other Matters

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village’s financial position or results of operations.

Note O – Commitments

The Village has entered into a five-year contract with Johns Disposal beginning on January 1, 2021 and ending December 31, 2025. Johns disposal will provide for the collection of solid waste, recyclables, and bulk disposal within the limits of the Village. The Village agrees to pay the following fees in conjunction with this contract:

Standard Service Costs - Waste Disposal		
<u>Service</u>	<u>Monthly cost/unit</u>	<u>Annual cost/unit</u>
Weekly curbside garbage*	\$ 9.95	\$ 119.40
Every-other week recycling*	4.95	59.40
Monthly on-call bulk items*	Included	Included
Total	\$ 14.90	\$ 178.80

*Rates listed are for the 1st year of a 5-year agreement. Increases for years will be 2.5% or CPI, whichever is greater, not to exceed 4%. All rates listed include all current government taxes and landfill tipping fees. Surcharges, generator taxes, environmental or other fees will be added as listed above.

Johns Disposal will provide the Village with an updated list of billable municipal addresses each year no later than October 31st. The Village Board of the Village may, at its option, terminate this agreement upon thirty (30) days written notice, if Contractor is in default of the terms of this agreement, except that no notice or action of the Village Board may be necessary if Contractor is in default of any of the requirements to maintain insurance. The written notice shall specify the contractor’s default(s) and the intention to terminate the Agreement. Unless Contractor cures the default(s) within ten (10) days of service of the notice, the Agreement shall terminate upon expiration of thirty (30) days of the service of notice upon the Contractor. Any litigation or legal dispute relating to this Contract shall be governed by the law of the State of Wisconsin and may be venued exclusively in Walworth County Circuit Court.

VILLAGE OF GENOA CITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Continued)

Note P – Effect of New Accounting Standards on Financial Statements

The Government Accounting Standards Board (“GASB”) has approved the following:

- Statement No. 101, *Compensated absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF GENOA CITY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND REVENUES
DECEMBER 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<u>TAXES</u>				
General property taxes	\$ 2,084,491	\$ 2,084,491	\$ 2,084,491	\$ -
General property tax equivalent	140,000	126,000	118,393	(7,607)
Other taxes	-	-	1,573	1,573
TOTAL TAXES	<u>2,224,491</u>	<u>2,210,491</u>	<u>2,204,457</u>	<u>(6,034)</u>
<u>SPECIAL ASSESSMENTS</u>				
LOMR	1,685	1,685	1,517	(168)
Sidewalks	4,868	4,868	4,362	(506)
TOTAL SPECIAL ASSESSMENTS	<u>6,553</u>	<u>6,553</u>	<u>5,879</u>	<u>(674)</u>
<u>INTERGOVERNMENTAL</u>				
Shared revenues from state	80,976	159,339	167,149	7,810
Fire insurance tax from state	10,000	12,906	12,906	0
State aid - transportation	245,365	245,364	245,365	1
State aid - recycling	5,650	5,409	5,410	1
State aid - exempt computer aid	999	1,000	1,000	0
State aid-law enforcement	1,000	1,000	1,440	440
Miscellaneous police grants	20,000	-	-	-
TOTAL INTERGOVERNMENTAL	<u>363,990</u>	<u>425,018</u>	<u>433,270</u>	<u>8,252</u>
<u>LICENSES AND PERMITS</u>				
Liquor and malt beverage licenses	5,250	5,735	6,360	625
Operators licenses	4,000	2,400	2,540	140
Cigarette licenses	500	700	700	-
Business licenses	1,500	1,350	1,390	40
Dog and cat licenses	1,575	400	222	(178)
Direct sales permits	250	350	350	-
Public works permits	2,000	1,500	1,250	(250)
Permits and fees	40,000	25,471	25,202	(269)
Zoning	5,200	5,200	2,110	(3,090)
Cable TV franchise fees	14,000	14,000	11,995	(2,005)
Building permits	80,000	65,000	51,578	(13,422)
TOTAL LICENSES AND PERMITS	<u>154,275</u>	<u>122,106</u>	<u>103,697</u>	<u>(18,409)</u>
<u>FINES AND FORFEITURES</u>				
Court fines	68,000	45,000	48,975	3,975
Parking fines	1,500	1,500	885	(615)
TOTAL FINES AND FORFEITURES	<u>\$ 69,500</u>	<u>\$ 46,500</u>	<u>\$ 49,860</u>	<u>\$ 3,360</u>

See accompanying notes to required supplementary information.

**VILLAGE OF GENOA CITY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND REVENUES (Continued)
DECEMBER 31, 2024**

	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>CHARGES FOR SERVICES</u>				
Garbage and refuse collection	\$ 140,490	\$ 140,490	\$ 140,910	\$ 420
Recycling	69,930	69,930	70,180	250
Snow removal	3,000	2,500	700	(1,800)
Weed control	1,500	500	46	(454)
Cemetery	5,000	2,500	809	(1,691)
Parks	8,500	9,500	9,505	5
Genoa City recreation	25,000	18,000	16,048	(1,952)
Economic development	-	20,000	20,000	-
Legal	200	-	-	-
License publication fees	200	-	-	-
Clerk fees	4,000	4,000	2,670	(1,330)
Police fees	500	500	447	(53)
TOTAL CHARGES FOR SERVICES	<u>258,320</u>	<u>267,920</u>	<u>261,315</u>	<u>(6,605)</u>
<u>INVESTMENT INCOME</u>				
Investment income	44,080	68,000	92,254	24,254
Interest on special assessments	2,106	2,000	1,307	(693)
TOTAL INVESTMENT INCOME	<u>46,186</u>	<u>70,000</u>	<u>93,561</u>	<u>23,561</u>
<u>MISCELLANEOUS REVENUES</u>				
Rental income - cellular tower	30,000	28,094	28,095	1
Donations - police	1,500	1,500	3,255	1,755
Insurance recoveries	5,000	15,000	14,605	(395)
Sale of Village property	-	-	6,410	6,410
All other	7,800	49,799	137,158	87,359
TOTAL MISCELLANEOUS REVENUES	<u>44,300</u>	<u>94,393</u>	<u>189,523</u>	<u>95,130</u>
TOTAL REVENUES	<u>\$ 3,167,615</u>	<u>\$ 3,242,981</u>	<u>\$ 3,341,562</u>	<u>\$ 98,581</u>

See accompanying notes to required supplementary information.

**VILLAGE OF GENOA CITY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND EXPENDITURES
DECEMBER 31, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<u>GENERAL GOVERNMENT</u>				
Village board - salaries	\$ 32,000	\$ 21,000	\$ 20,920	\$ 80
Village board - benefits	1,224	1,650	1,629	21
Village president - salaries	4,200	-	-	-
Village president - benefits	321	-	-	-
General administration	39,017	23,250	23,107	143
Municipal court - other	4,550	2,186	2,186	-
Legal counsel	23,500	7,500	10,080	(2,580)
Clerk-treasurer - salaries	49,664	89,400	215,271	(125,871)
Clerk-treasurer - benefits	19,777	25,250	37,530	(12,280)
Clerk-treasurer - other	17,550	28,700	34,986	(6,286)
Elections	12,500	7,500	8,622	(1,122)
Assessor	10,400	11,000	12,607	(1,607)
Board of review	900	-	-	-
Auditing and accounting	8,500	13,500	9,533	3,967
Financial advisor	6,000	6,000	2,589	3,411
Village hall	26,500	43,300	39,235	4,065
Property and liability insurance	44,000	44,500	45,508	(1,008)
Publications	1,300	-	-	-
Dues and subscriptions	2,000	-	-	-
Miscellaneous general government	4,000	-	-	-
TOTAL GENERAL GOVERNMENT	<u>307,903</u>	<u>324,736</u>	<u>463,803</u>	<u>(139,067)</u>
<u>PUBLIC SAFETY</u>				
Police administration - salaries	238,673	556,465	508,924	47,541
Police administration - benefits	149,451	229,000	203,523	25,477
Police administration - other	36,550	46,009	52,247	(6,238)
Police patrol - salaries	285,566	-	999	(999)
Police patrol - overtime	39,000	-	172	(172)
Police patrol - benefits	107,609	-	-	-
Police patrol - other	34,800	60,000	59,117	883
Background checks	750	-	-	-
Fire protection	502,723	501,786	503,456	(1,670)
Building inspection	20,000	35,000	42,543	(7,543)
Building inspection - other	5,100	325	1,677	(1,352)
TOTAL PUBLIC SAFETY	<u>\$ 1,420,222</u>	<u>\$ 1,428,585</u>	<u>\$ 1,372,658</u>	<u>\$ 55,927</u>

See accompanying notes to required supplementary information.

**VILLAGE OF GENOA CITY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND EXPENDITURES (Continued)
DECEMBER 31, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>
<u>PUBLIC WORKS</u>				
Garages and sheds	\$ 5,950	\$ -	\$ -	\$ -
Streets and alleys - salaries	104,369	150,000	193,005	(43,005)
Streets and alleys - overtime	4,093	7,500	8,301	(801)
Streets and alleys - benefits	63,505	81,000	88,852	(7,852)
Streets and alleys - other	40,700	48,000	47,554	446
Administration - salaries	20,594	-	-	-
Street repairs	2,500	2,500	1,555	945
Snow and ice control	13,000	13,000	13,090	(90)
Tree and brush control	4,500	14,000	14,343	(343)
Engineering fees	30,000	65,000	76,675	(11,675)
Engineering fees - MS4	500	500	500	-
Street lighting	41,000	41,000	44,559	(3,559)
Storm water maintenance	21,095	5,000	13,925	(8,925)
Garbage and refuse collection	140,490	140,490	140,445	45
Recycling expenses	69,930	69,930	69,908	22
TOTAL PUBLIC WORKS	<u>562,226</u>	<u>637,920</u>	<u>712,712</u>	<u>(74,792)</u>
<u>HEALTH AND HUMAN SERVICES</u>				
Cemetery	248,290	8,000	8,145	(145)
<u>CULTURE, RECREATION, AND EDUCATION</u>				
Parks	11,350	4,000	4,038	(38)
Community programs	9,000	18,000	15,353	2,647
TOTAL CULTURE RECREATION, AND EDUCATION	<u>20,350</u>	<u>22,000</u>	<u>19,391</u>	<u>2,609</u>
<u>ECONOMIC DEVELOPMENT</u>				
Economic development	-	-	71,237	(71,237)
<u>CAPITAL OUTLAY</u>				
General government	2,500	-	-	-
Public works	12,500	18,000	224,725	(206,725)
TOTAL CAPITAL OUTLAY	<u>15,000</u>	<u>18,000</u>	<u>224,725</u>	<u>(206,725)</u>
<u>DEBT SERVICE</u>				
Principal	658,749	658,749	453,749	205,000
Interest	221,298	221,298	203,465	17,833
TOTAL DEBT SERVICE	<u>880,047</u>	<u>880,047</u>	<u>657,214</u>	<u>222,833</u>
TOTAL EXPENDITURES	<u>\$ 3,454,038</u>	<u>\$ 3,319,288</u>	<u>\$ 3,529,885</u>	<u>\$ (210,597)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>\$ (135,000)</u>	<u>\$ (135,000)</u>	<u>\$ (135,000)</u>	<u>\$ -</u>

See accompanying notes to required supplementary information.

VILLAGE OF GENOA CITY

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY

Wisconsin Retirement System
Last 10 Fiscal Years*

WRS Year End	Village's proportion of the net pension (asset) liability	Village's proportionate share of the net pension (asset) liability	Village's covered-employee payroll	Net pension (asset) liability as a percentage of covered- employee payroll	Plan fiduciary net position as a percentage of total pension (asset) liability
2023	0.00795728%	\$ 118,309	\$ 1,149,893	10.29%	98.85%
2022	0.00771982%	408,973	1,069,146	38.25%	95.72%
2021	0.78540300%	(633,049)	1,086,624	-58.26%	106.02%
2020	0.76677300%	(478,707)	972,989	-49.20%	105.26%
2019	0.76829300%	(247,732)	1,058,590	-23.40%	102.96%
2018	0.71900300%	255,798	929,294	27.53%	96.45%
2017	0.00683415%	(202,914)	888,267	(22.84%)	102.93%
2016	0.00653815%	53,890	836,497	6.44%	99.12%
2015	0.00664482%	107,977	800,944	13.48%	98.20%
2014	0.00671847%	(165,024)	782,351	(21.09%)	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Wisconsin Retirement System
Last 10 Fiscal Years*

Fiscal Year End	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Village's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2023	\$ 105,988	\$ 105,988	\$ -	\$ 1,149,893	9.22%
2022	91,481	91,481	-	1,069,146	8.56%
2021	94,173	94,173	-	1,086,624	8.67%
2020	82,218	82,218	-	972,989	8.45%
2019	85,963	85,963	-	1,058,590	8.12%
2018	77,627	77,627	-	929,294	8.35%
2017	73,701	73,701	-	888,267	8.30%
2016	63,938	63,938	-	836,497	7.64%
2015	62,601	62,601	-	800,944	7.82%
2014	63,061	63,061	-	782,351	8.06%

*The amounts presented for each fiscal year were determined as of the prior calendar year-end.

*GASB Pronouncements 67 and 68 require the presentation of the last 10 prior fiscal years completed under these pronouncements.

VILLAGE OF GENOA CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024

Note 1. Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund.

The Village adopted annual Governmental Fund Budgets for the General Fund, the Debt Service Fund, the Library Fund, and the Capital Projects Fund. These budgets are adopted in accordance with State Statutes. All annual appropriations lapse at year-end except for certain non-lapsing funds specifically designated by the Board. Budgetary control is exercised at the individual function level for each fund.

The budget amounts presented include any amendments made during the year. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds Board action.

Note 2. Excess Expenditures over Appropriations

The Village had the following expenditures in excess of appropriations as presented in the "Budgetary Comparison Schedule – General Fund Expenditures".

General government	\$ 139,067
Public works	74,792
Health and human services	145
Economic development	71,237
Capital outlay	206,725

The excess expenditures were absorbed by revenues in excess of budget and available fund balances.

Note 3. WRS Information

Changes of benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions. Based on a three-year study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**VILLAGE OF GENOA CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**

Note 3. WRS Information (continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return	5.4%	5.4%	5.4%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement	7.0%	7.0%	7.0%	7.0%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation	3.0%	3.0%	3.0%	3.0%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post Retirement Benefit Adjustme	1.9%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actual experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

**VILLAGE OF GENOA CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**

Note 3. WRS Information (continued)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2018	2017	2016	2015	2014	2013
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions						
Net Investment Rate of Return	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:						
Pre-retirement	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases						
Wage Inflation	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post Retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012-2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009-2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006-2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actual experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

SUPPLEMENTARY INFORMATION

**VILLAGE OF GENOA CITY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31,2024**

	Debt Service	Special Revenue	
	TIF No. 2	Library	
<u>ASSETS</u>			
Cash and investments	\$ -	\$ 50,773	\$ 50,773
Restricted Assets:			
Cash and investments	9,772	-	9,772
TOTAL ASSETS	<u>9,772</u>	<u>50,773</u>	<u>60,545</u>
<u>LIABILITIES</u>			
Accrued payroll and related liabilities	-	3,512	3,512
TOTAL LIABILITIES	<u>-</u>	<u>3,512</u>	<u>3,512</u>
<u>FUND BALANCES</u>			
Restricted	9,772	-	9,772
Assigned	-	47,261	47,261
TOTAL FUND BALANCES	<u>\$ 9,772</u>	<u>\$ 47,261</u>	<u>\$ 57,033</u>

VILLAGE OF GENOA CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31,2024

	<u>Debt Service</u>	<u>Special Revenue</u>	<u>Total</u>
	<u>TIF No. 2</u>	<u>Library</u>	<u>Nonmajor</u>
			<u>Funds</u>
<u>REVENUES</u>			
Intergovernmental	\$ -	\$ 87,539	\$ 87,539
Charges for services	-	4,223	4,223
Investment income	-	17	17
Miscellaneous	-	15,372	15,372
TOTAL REVENUES	-	107,151	107,151
<u>EXPENDITURES</u>			
Current:			
Culture, recreation, and education	-	226,498	226,498
TOTAL EXPENDITURES	-	226,498	226,498
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	-	(119,347)	(119,347)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in - governmental funds	-	135,000	135,000
TOTAL OTHER FINANCING			
SOURCES (USES)	-	135,000	135,000
NET CHANGE IN FUND BALANCES	-	15,653	15,653
FUND BALANCES - BEGINNING OF YEAR	9,772	31,608	41,380
FUND BALANCES - END OF YEAR	\$ 9,772	\$ 47,261	\$ 57,033

See Independent Auditors' Report.

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

March 30, 2026

Re: Village of Genoa City, Wisconsin ("Issuer")
\$3,615,000 General Obligation Promissory Notes, Series 2026A,
dated March 30, 2026 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2028	\$ 90,000	___%
2029	85,000	___
2030	90,000	___
2031	195,000	___
2032	165,000	___
2033	165,000	___
2034	165,000	___
2035	165,000	___
2036	165,000	___
2037	230,000	___
2038	230,000	___
2039	230,000	___
2040	230,000	___
2041	235,000	___
2042	235,000	___
2043	235,000	___
2044	235,000	___
2045	235,000	___
2046	235,000	___

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2027.

The Notes maturing on March 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2034 or on any date thereafter. Said Notes are

redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.
3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Genoa City, Walworth and Kenosha Counties, Wisconsin (the "Issuer") in connection with the issuance of \$3,615,000 General Obligation Promissory Notes, Series 2026A, dated March 30, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 12, 2026 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated March 12, 2026 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Genoa City, Walworth and Kenosha Counties, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Clerk/Treasurer of the Issuer who can be contacted at Village Hall, 755 Fellows Road, Genoa City, Wisconsin 53128, phone (262) 279-6472, fax (262) 279-6618.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2025, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - DIRECT DEBT
2. DEBT - DEBT LIMIT
3. VALUATIONS - CURRENT PROPERTY VALUATIONS
4. TAX LEVIES AND COLLECTIONS - TAX LEVIES AND COLLECTIONS

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 30th day of March, 2026.

(SEAL)

Ken Parker
President

Jackie Petritis
Village Clerk/Treasurer

NOTICE OF SALE

**\$3,615,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A
VILLAGE OF GENOA CITY, WISCONSIN**

Bids for the purchase of \$3,615,000* General Obligation Promissory Notes, Series 2026A (the "Notes") of the Village of Genoa City, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the Village, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on March 12, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the Village Board for consideration for award by resolution at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of Fellows Road reconstruction, including water and sewer improvements and acquisition of public safety vehicle. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated March 30, 2026, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$90,000	2035	\$165,000	2042	\$235,000
2029	85,000	2036	165,000	2043	235,000
2030	90,000	2037	230,000	2044	235,000
2031	195,000	2038	230,000	2045	235,000
2032	165,000	2039	230,000	2046	235,000
2033	165,000	2040	230,000		
2034	165,000	2041	235,000		

ADJUSTMENT OPTION

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2027, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

The Village has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after March 1, 2035 shall be subject to optional redemption prior to maturity on March 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village. If only part of the Notes having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about March 30, 2026, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Notes. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$3,569,812.50, nor more than \$3,976,500, plus accrued interest on the principal sum of \$3,615,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$72,300 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Notes from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Notes and shall execute and deliver to the Village at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Village under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Village shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the Village agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Village, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the Village to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the Village Board

Jackie Petritis, Village Clerk/Treasurer
Village of Genoa City, Wisconsin

BID FORM

The Village Board
Village of Genoa City, Wisconsin (the "Village")

March 12, 2026

RE: \$3,615,000* General Obligation Promissory Notes, Series 2026A (the "Notes")
DATED: March 30, 2026

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$3,569,812.50, nor more than \$3,976,500) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038	_____ % due	2045
_____ % due	2032	_____ % due	2039	_____ % due	2046
_____ % due	2033	_____ % due	2040		
_____ % due	2034	_____ % due	2041		

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

A rating for the Notes may not be requested without contacting Ehlers and receiving the permission of the Village.

All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$72,300 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about March 30, 2026.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the Village with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: ____ 10% test, or the ____ hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from March 30, 2026 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Village Board of the Village of Genoa City, Wisconsin, on March 12, 2026.

By: _____ By: _____
Title: _____ Title: _____